

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Crown Butte Timber Sale is located within Section 16, T16N-R6E, on the State's Helena Unit. Approximately 9,603 tons, consisting primarily of ponderosa pine and Douglas-fir is being offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **August 18, 2006 2:00 p.m.** Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. **DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.** Bids must be accompanied by a deposit of **\$7,923.00**, representing 5% of the minimum bid of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within 45 calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), or the Central Land Office, Helena Unit, 8001 North Montana Ave., Helena, MT 59601 (406-458-3500).

Visit our website at <http://www.dnrc.mt.gov> Online Services for upcoming sales and bid results

/s/ David A. Groeschl, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: July 19, 26, August 2, 9, 2006

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Crown Butte			
Timber Sale Location: Section 16, T6N-R6E			
For specific sale information, contact: Shawn P. Morgan, Helena Unit Forester			
Phone:	406-458-3516	Unit Office: Helena	
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-458-3500	Central Land Office	

General Bidding Information

1. Bids must be submitted on standard DNRC bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Department reserves the right to reject any or all bids.
3. DNRC recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
4. A **bid guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, bank money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **performance bond** within 45 days of the sale award. It will amount to 20% or more of the bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract.
6. The Purchaser must submit an **advance stumpage payment** prior to cutting any timber. The amount of the advance will be based on the expected harvest rate and the bid value of the stumpage. The advance may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. The Purchaser will pay **Forest Improvement fees** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
8. The successful bidder must sign an agreement that prohibits exporting State logs.
9. This sale is being sold based on the gross weight of all species. Minimum price and bid price is per ton. The price is for all species, green and dead. Billing will be based on gross weight. A weight ticket from a certified scale is required for every load.
10. The Department has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. All delivered wood will be weighed and billed at per ton bid rates. The Department recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and the tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. DNRC strongly recommends that bidders evaluate these effects before bidding.
11. DNRC does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not its market value. Purchasers should make their own estimates based on contract requirements.
12. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above. **A sale tour is planned for August 1, 2006. Contact Shawn Morgan at 406-458-3516 for further information.**
13. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
14. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

TABLE 1: Summary of Sale Specifications

Sale Data			
165 Commercial, 43 Pre-Commercial Thinning October 15, 2008 N/A	Net Sale Area (acres)	0.75	Miles of new trail construction
	Contract ending date	1.65	Miles of trail reconstruction
	Cable logging required (% of volume)	N/A	Miles of trail reclamation or abandonment
Operating Season: Not restricted other than by normal contract restrictions			
Charges and Appraised Costs			
\$7,923.00	Bid Guarantee (total \$)		
\$ 6,000.00 minimum	Performance Bond		
\$ 1.71/ton USFS and \$0.148/ton plus \$100.00 for private R/W	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$ 1.24	Collected Forest Improvement Fee (\$ per ton)		
\$ 1,984.62	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$ 11,505.00	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$ N/A	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
\$ 0.298	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
\$ 4.23	Timber Stand Improvement Costs - Mechanical Pre-Commercial Thinning - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids

SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid									\$16.50/ton
Gross Cubic Feet (in thousands)	267.9	31.2						16.9	315.9
% Cull and Breakage	5.6%	5.6%						5.6%	5.6%
Net Cubic Feet (in thousands)	252.9	29.5						15.9	298.3
Pounds per cubic foot	62	61.7						40.0	-
Net tons	8304	961						337	9603
Gross MBF (Scribner 6" top DIB)	1312.39	135.27						56.81	1504.47
%Cull and Breakage	5.3%	5.3%						5.3%	5.3%
Net MBF	1242.8	128.1						53.8	1424.7
Average logs per MBF	19.5	30.3						25.8	25.2
Average DBH	11.8	8.9						10.7	10.46
Average tons per acre harvested in leave-tree marked units									58.20
Average tons per acre harvested in cut-tree-marked units									N/A
Average MBF to cut per acre on the timber sale									8.63
Range of cut trees per acre based on unit cruise									N/A
Calculated Sampling Error (<i>net</i> MBF): +/- 19.29%									
The total cruised volume will fall between 1,149.87 and 1699.52 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 9603 net tons per 1424.65 net MBF = 6.74 tons per MBF									

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1	16	165	9603	14245	September 15, 2008

Additional Sale Information:

1. The harvest unit has been *LEAVE TREE* marked. Do not cut or damage any trees having a *diagonal blue paint* line at breast height.
2. Conventional ground-based harvesting systems can be used to cut this sale.
3. Forest products cut from this sale will need to be transported to a landing area near Logging Creek Road by a forwarder per access agreement with private landowner. Approximately 1.76 miles of forwarder trail is on private lands, while nearly .9 miles is on State Trust Land.
4. Contractor will be responsible for obtaining a Road Use Permit from the Lewis & Clark National Forest for use of Forest Service Road 67. Payment will be based on estimated sale volume and is estimated to be around \$11-\$12 /MBF. Proof of payment will be sent to DRNC.
5. A right-of-way fee of \$0.148 per ton (based on the estimated sale volume), in addition to a \$100.00 charge for use of the landing area near Logging Creek Road will need to be paid to the adjacent private landowner. Cost associated with this right-of-way fee will be the responsibility of the contractor. Proof of payment will be sent to DNRC.
6. A mechanical slash busting system will be needed to thin advanced regeneration within the commercial harvest unit, as well as four additional pre-commercial units (43 acres). In the harvest unit a seedling/sapling survey was conducted to determine stocking density. The results are as follows: 21% was considered "High" (2250 + seedlings/saplings/acre), 47% "Low" (1500 seedlings/saplings/acre), and 32% had "None". The contractor will be required to identify potential crop-trees amongst this regeneration and then release them to an approximant 13' x 13' spacing.

TABLE 4: Total Net board Feet (6" top diameter) by Diameter Class and Species (Cut trees)

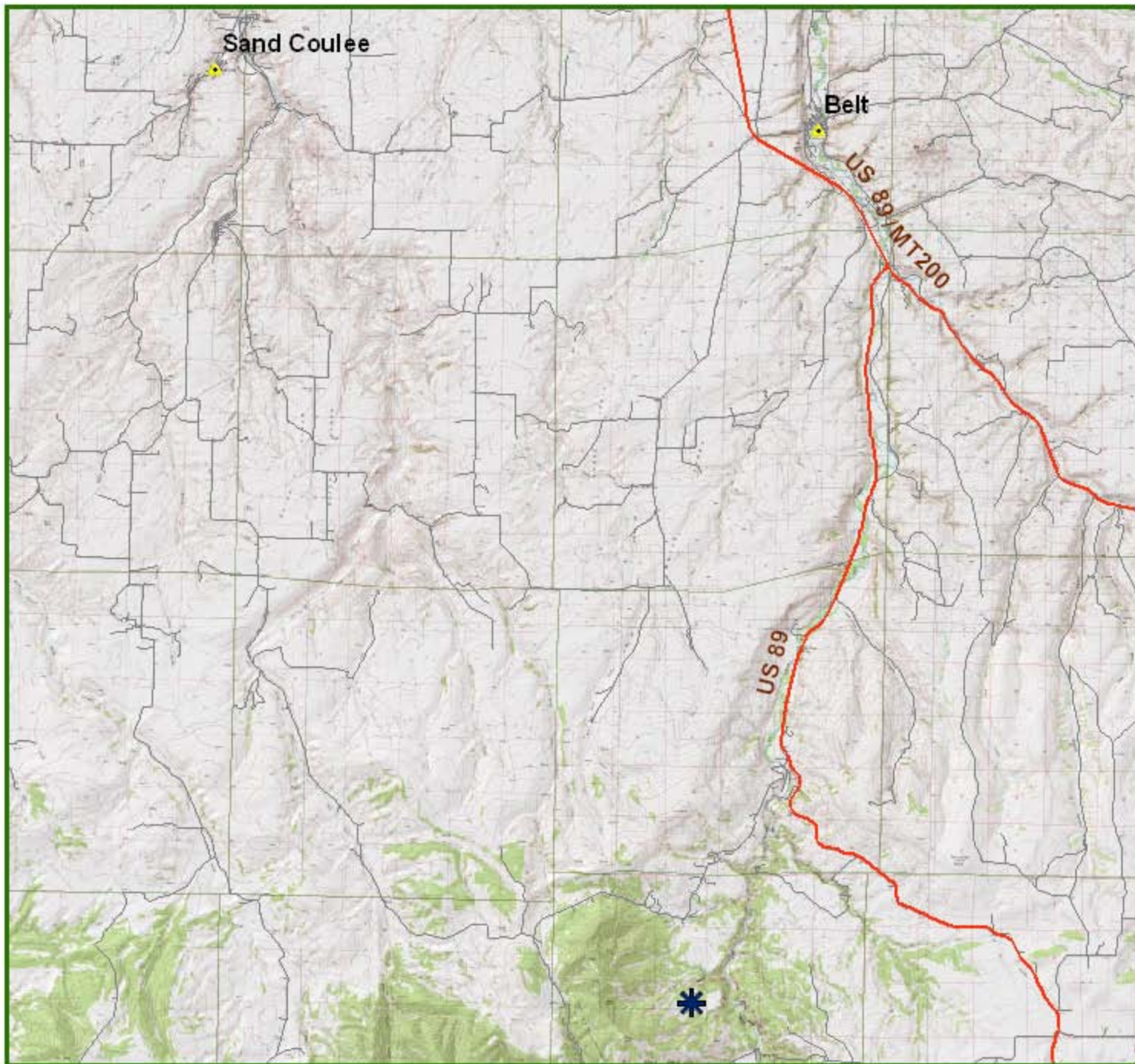
DBH Class	Thousand Cubic Feet							
	PP	DF	WL	LP	ES	WF	CE	DD
≥7 and < 9	10.6	1.0						2.0
≥9 and < 11	65.3	5.0						6.4
≥11 and < 13	122.0	67.8						0
≥13 and < 15	278.9	37.7						16.6
≥15 and < 17	353.0	16.5						11.1
≥17 and < 19	154.6	0						17.8
≥19 and < 21	128.5	0						0
≥21 and < 23	50.9	0						0
≥23 and < 25	50.1	0						0
≥25 and < 27	13.1	0						0
≥27 and < 29	15.7	0						0
TOTAL	1242.7	128.0						53.9

TABLE 5: Total Number of Cut Trees Per Acre by Diameter Class and Species

DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
≥7 and < 9	15	18.9						3.4	37.3
≥9 and < 11	26.1	8.9						5.9	40.9
≥11 and < 13	12.8	9.4						0	22.2
≥13 and < 15	16.6	3.0						1.7	21.3
≥15 and < 17	14.5	0.9						0.4	15.8
≥17 and < 19	4.6	0						0.7	5.3
≥19 and < 21	3.1	0						0	3.1
≥21 and < 23	0.8	0						0	0.8
≥23 and < 25	0.8	0						0	0.8
≥25 and < 27	0.2	0						0	0.2
≥27 and < 29	0.1	0						0	0.1
TOTAL	94.6	41.1						12.1	147.8

CROWN BUTTE Timber Sale

Section 16, Township 16 North, Range 6 East

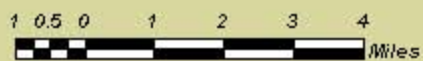


Mapped By: Shawn P. Morgan

Timber Sale Vicinity Map

Department of Natural Resources
and Conservation,

Central Land Office,
Helena Unit



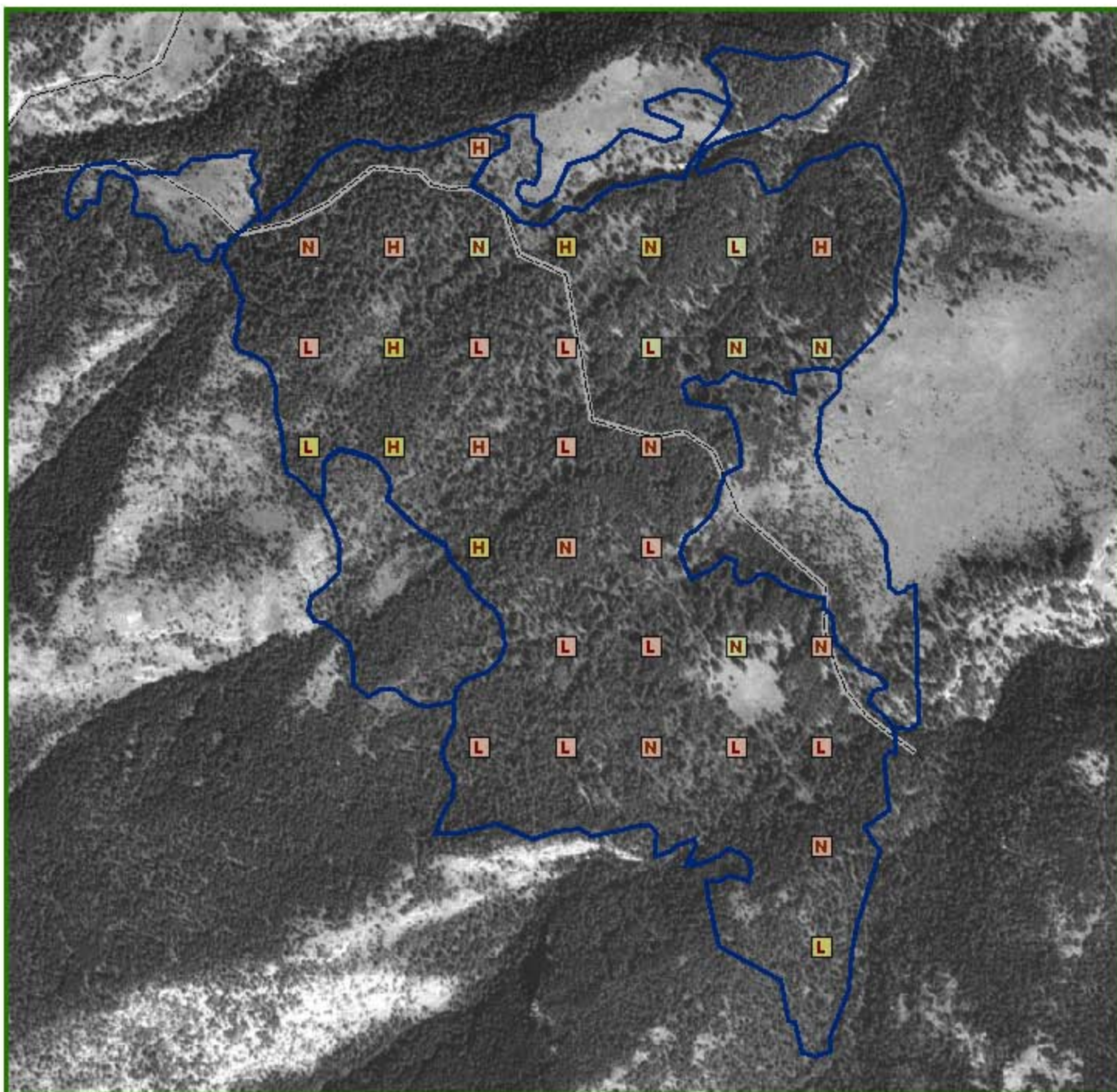
LEGEND

-  Sale Location
-  City / Town
-  Highway

CROWN BUTTE Timber Sale



Section 16, Township 16 North, Range 6 East



Harvest Method/Regeneration Density Map Department of Natural Resources and Conservation, Helena Unit



1 inch equals 687.5 feet



LEGEND

Regeneration Density

H High - 35 acres

L Low - 77 acres

N None - 83 acres

Harvest Method

Intermediate Thin

Coarse Thinning

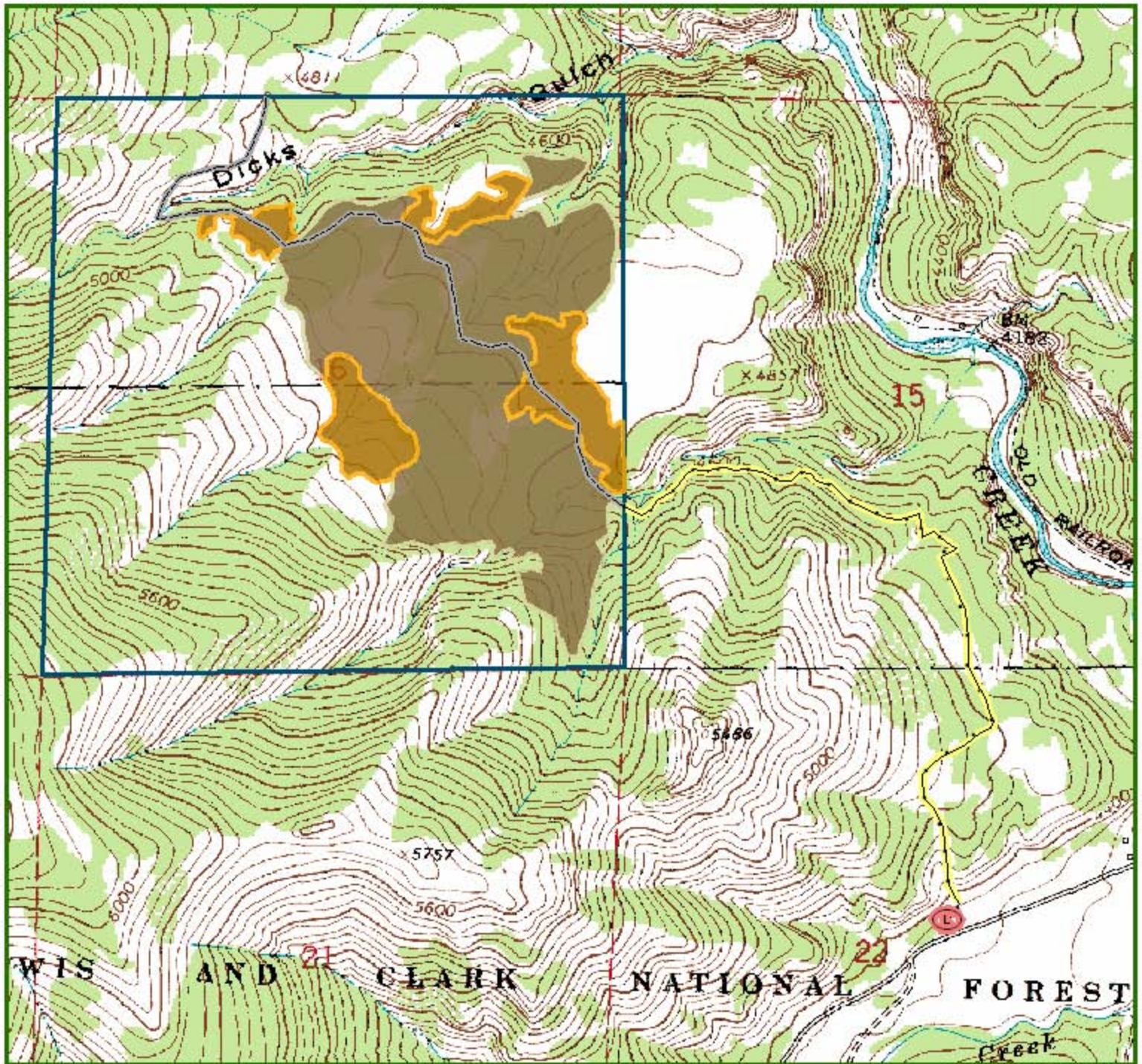
Seed Tree

Harvest Unit - 185 Acres

Road

CROWN BUTTE Timber Sale

Section 16, Township 16 North, Range 6 East



Mapped By: SHawn P. Morgan

Timber Harvest / Pre-Commercial Thin Map

Department of Natural Resources
and Conservation,
Helena Unit



1 inch equals 1,320.00 feet

820 410 0 820 1,640 2,460 3,280
Feet

LEGEND

- Landing Area
- Forward Trail / Private - 1.76 Miles
- Existing Trail / State - 1.54 Miles
- Crown Butte Project Area
- Prescription
 - Commercial Timber Harvest - 165 acres
 - Pre-Commercial Harvest - 43 acres
 - State Ownership